Federal Law No. (6) of 2018  
on Arbitration

We, Khalifa bin Zayed Al Nahyan, President of the United Arab Emirates.

After perusal of the Constitution;

Federal Law No. (1) of 1972 on the competencies of the ministries and the powers of the ministers, as amended;

Federal Law No. (3) of 1983 regarding the Judicial Authority, as amended;

Federal Law No. (5) of 1985 promulgating the Civil Transactions Law, as amended;

Federal Law No. (3) of 1987 promulgating the Penal Code, as amended;

Federal Law No. (23) of 1981 regulating the legal profession, as amended;

Federal Law No. (10) of 1992 promulgating the Law of Proof in Civil and Commercial Transactions, as amended;

Federal Law No. (11) of 1992 promulgating the Civil Procedure Law, as amended;

Federal Law No. (35) of 1992 promulgating the Criminal Procedures Code, as amended;

Federal Law No. (18) of 1993 on commercial practice;

Federal Law No. (1) of 2006 concerning electronic transactions and commerce;

Federal Law No. (6) of 2012 regulating the translation profession;

Federal Law No. (7) of 2012 regulating expert evidence before the judicial authorities; and

Federal Law No. (2) of 2015 on commercial companies, as amended.

Based on the proposal of the Minister of Economy, as approved by the Cabinet and the Federal National Council, and ratified by the Federal Supreme Council.

Issue the following Law:

Section I  
Definitions and Scope of Application

Definitions

Article (1)

In this Law, unless the context dictates otherwise, words and expressions set forth below shall bear the following meanings:

State: United Arab Emirates.
Arbitration: A procedure regulated by law in which a dispute between one or more parties is submitted, by agreement of the parties, to an arbitral tribunal which makes a binding decision on the dispute.

Arbitration Agreement: An agreement between parties to submit to arbitration, made before or after a dispute has arisen.

Arbitral Tribunal: A panel of one or more arbitrators which is convened and sits to resolve a dispute by way of arbitration.

Court: The federal or local Court of Appeals agreed upon by the parties or in whose jurisdiction the arbitration is conducted.

Arbitration Institution: An entity or center set up to administer arbitration.

Authorized Party: A natural or juridical person to whom parties agree to grant any of the powers stipulated by this Law.

Concerned Body: The body authorized to administer arbitration or the Court.

Parties: The Claimant and the Respondent, whatever their number.

Claimant: The party who initiates a request to commence arbitration proceedings.

Respondent: The party against whom the Claimant has commenced arbitration proceedings.

Scope of Application of the Law

Article (2)

This Law shall apply to:

1. Any Arbitration conducted in the State, unless the Parties have agreed that another law should govern the Arbitration, provided there is no conflict with the public order and morality of the State.

2. Any international commercial arbitration conducted abroad, if the Parties have chosen this Law to govern such Arbitration.

3. Any arbitration arising from a dispute in respect of a legal relationship, whether contractual or not, governed by State law, save as excepted by special provision.

The International Character of Arbitration

Article (3)

An Arbitration is international, even if conducted in the State, if:

1. the Parties have, at the time of the conclusion of the Arbitration Agreement, their places of business in two or more different States. If a party has more than one place of business, the place of business is that which has the closest relationship to the subject matter of the Arbitration Agreement. If a party does not have a place of business, reference is to be made to its habitual residence.
2. One of the following places is situated outside the State in which a party has its place of business:

(a) the place of arbitration if determined in, or pursuant to, the Arbitration Agreement;

(b) any place where a substantial part of the obligations of the commercial relationship is to be performed or the place with which the subject-matter of the dispute is most closely connected.

3. the subject-matter of the dispute addressed by the Arbitration Agreement is connected with more than one country.

4. the Parties have expressly agreed that the subject-matter of the Arbitration Agreement relates to more than one country.

**Section II**

**The Arbitration Agreement**

**Capacity to Enter into an Arbitration Agreement**

**Article (4)**

1. An Arbitration Agreement may only be concluded, on pain of nullity, by a natural person having the legal capacity to dispose of his rights or on behalf of a juridical person by a representative with specific authority to arbitrate.

2. Arbitration is not permitted in matters which do not permit compromise.

3. Where a provision of this Law leaves the Parties free to agree on the procedure to be followed to determine a certain issue, each party may authorize a third party to choose or determine that procedure. A third party is such case includes: any natural person or Arbitration Institution inside or outside the State.

4. Unless otherwise agreed by the Parties, the Arbitration Agreement shall not be terminated or discharged by the death of any party thereto but in such event is enforceable by or against the legal successor of the deceased.

**Form of Arbitration Agreement**

**Article (5)**

1. The Arbitration Agreement may be concluded before a dispute arises, either in the form of a separate agreement or as a clause within a contract, in relation to all or certain disputes which may arise between the Parties.

2. The Arbitration Agreement may also be concluded after a dispute has arisen, even if an action in this respect has already been brought before a court. In such case, the agreement must determine matters included in the Arbitration.

3. A reference in a contract or any other document containing an arbitration clause constitutes an Arbitration Agreement, if the reference is such as to make that clause part of the contract.
Autonomy of the Arbitration Agreement

Article (6)

1. An arbitration clause shall be treated as an agreement independent from the other terms of contract. The nullity, rescission or termination of the contract shall not affect the arbitration clause if it is valid per se, unless the matter relates to an incapacity among the Parties.

2. A plea that a contract containing an arbitration clause is null or has been rescinded or terminated shall not stay the arbitration proceedings and the Arbitral Tribunal may rule on the validity of such contract.

A Written Arbitration Agreement

Article (7)

1. An Arbitration Agreement shall be in writing; otherwise it shall be void.

2. An Arbitration Agreement shall be deemed to be in writing if:

(a) it is contained in a document signed by the Parties or in an exchange of correspondence or other written means of communication or in the form of an electronic message in accordance with the applicable rules of the State concerning electronic transactions.

(b) there is reference in a written contract to any model contract, international agreement, or any other document containing an arbitration clause and the reference is such as to make that clause part of the contract.

(c) It was made during the hearing of the dispute by the court competent to entertain it, in which case the court shall issue a decision confirming the Arbitration Agreement, leaving the Parties to commence the Arbitration at such place and time as shall be specified, under the rules governing its proceedings, while ruling the action void.

(d) It is included in written statements exchanged between the Parties during the arbitration proceedings or is acknowledged before the courts, where either party requests referral of the dispute to Arbitration and the other party does not challenge the request in its response.

Resolution of a Dispute that is Subject to an Arbitration Agreement

Article (8)

1. The court before which a dispute is brought that is subject to an Arbitration Agreement shall decline to entertain the action if the defendant has so pleaded before submitting any request or plea on the merits, unless the court is satisfied that the Arbitration Agreement is void or incapable of being performed.

2. The filing of the action referred to in the preceding section shall not preclude the commencement or continuance of arbitration proceedings or the issuance of an arbitral award.

Section III
The Arbitral Tribunal

Composition of the Arbitral Tribunal

Article (9)
1. The Arbitral Tribunal consists, by agreement of the Parties, of one or more arbitrators. Where the Parties have not agreed on the number of arbitrators, their number shall be three, unless otherwise decided by the Concerned Body.

2. The number of arbitrators, if several, shall be uneven, otherwise the Arbitration is void.

Qualifications Required of Arbitrators
Article (10)

1. In addition to the qualifications agreed upon by the Parties, the Arbitrator shall be a natural person who is not a minor or under court interdiction order or without civil rights by reason of bankruptcy; unless he has been discharged, or due to a felony or misdemeanour conviction for a crime involving moral turpitude or breach of trust; even if he has been rehabilitated.

2. The arbitrator cannot be on the board of trustees or the administrative body of the Arbitration Institution responsible for administering the Arbitration in the State.

3. The arbitrator need not be of a specific gender or nationality, unless otherwise agreed upon by the Parties or provided for by law.

4. When a person is approached in connection with his possible appointment as an arbitrator, he shall disclose in writing anything likely to give rise to doubts as to his impartiality or independence. An Arbitrator, from the time of his appointment and throughout the arbitral proceedings, shall without delay disclose any such circumstances to the Parties and all the arbitrators unless they have already been informed of them by him.

Composition of Arbitral Tribunal
Article (11)

1. The Parties are free to agree on a procedure of appointing the arbitrator or arbitrators and the time and method of appointment.

2. In an Arbitration with a sole Arbitrator, if the Parties are unable to agree on the Arbitrator within fifteen days after either party submits a written request to the other party requesting such appointment, he shall be appointed, upon request of a party, by the Concerned Body. The decision on the matter shall be subject to no appeal, without prejudice to the provisions of Article 14 of this Law.

3. In an Arbitration with three arbitrators, each party shall appoint one arbitrator, and the two arbitrators thus appointed shall appoint the third arbitrator; if a party fails to appoint the arbitrator within fifteen days of receipt of a request to do so from the other party, or if the two arbitrators fail to agree on the third arbitrator within fifteen days of appointment of the last Arbitrator, the appointment shall be promptly made, upon request of a party, by the Concerned Body. The decision on the matter shall be subject to no appeal, without prejudice to the provisions of Article 14 of this Law.

4. The Concerned Body in appointing an Arbitrator, shall have due regard to any qualifications required of the arbitrator by this Law or the agreement of the Parties as to secure the appointment of an independent and impartial Arbitrator.

5. Where the Authorized Party does not appoint an Arbitrator in accordance with the procedures specified in the Parties’ agreement or, in the absence of an agreement, this Law, either party
may request the Court to take the necessary measure to appoint the complete Arbitral Tribunal. The Court’s decision in this regard is subject to no appeal.

6. If a request is submitted to the Concerned Body to appoint an Arbitrator, the Party submitting the request shall simultaneously forward a copy of the request to all the other Parties and any Arbitrator previously appointed in the same dispute. The request shall briefly state the subject matter of the dispute and any qualifications required of the proposed Arbitrator by the Arbitration Agreement as well as all the steps taken to appoint any remaining member of the Arbitral Tribunal.

7. The third Arbitrator appointed in accordance with this article shall preside over the Arbitral Tribunal and this rule shall apply for an Arbitral Tribunal composed of more than three Arbitrators.

8. The Court may, at the request of a party, request any Arbitration Institution in the State to provide it with a list of persons specializing in Arbitration for one to be appointed by the Court, once the applicable fees of the Arbitration Institution have been paid by the party filing the request which fees shall form part of the Arbitration costs.

Arbitral Decision Making
Article (12)

In arbitral proceedings with more than one Arbitrator, any decision of the Arbitral Tribunal shall be made, unless otherwise agreed by the Parties, by a majority of all its members.

However, questions of procedure may be decided by a presiding Arbitrator, if so authorized by the Parties or the other members of the Arbitral Tribunal.

Violation of the Procedure for Appointing the Arbitral Tribunal
Article (13)

If a party violates the agreed procedure for selection of arbitrators, the Parties fail to agree, or the two appointed arbitrators have not agreed on a matter requiring their agreement, or if the third party, including the Authorized Party, fails to perform a function entrusted to it under such procedure, then the Court shall, at the request of a party, carry out the required measure unless the agreement provides other means for securing the appointment. The decision on the matter shall not be subject to appeal.

Challenging an Arbitrator
Article (14)

1. An Arbitrator may be challenged only if circumstances exist that give rise to justifiable doubts as to his impartiality or independence, or if he does not possess the qualifications agreed to by the Parties or stipulated by this Law.

2. A party may challenge an Arbitrator appointed by him, or in whose appointment he has participated, only for reasons of which he becomes aware after the appointment has been made.

3. A challenge shall not be accepted from a party who has previously presented a challenge against the same Arbitrator, in the same Arbitration and for the same reasons.

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Challenge Procedure

Article (15)

The Parties are free to agree on a procedure for challenging an Arbitrator; otherwise the following procedure shall apply:

1. A party who intends to challenge an Arbitrator shall, within fifteen days after becoming aware of the appointment of that Arbitrator or after becoming aware of any circumstances justifying the challenge, send, in writing, a notice of challenge stating its motives to the challenged Arbitrator, with a copy to the other appointed members of the Arbitral Tribunal and the other Parties.

2. If the challenged Arbitrator does not withdraw or the other party does not agree to the challenge within fifteen days from the date of the notice of challenge given to the Arbitrator in accordance with Article 24 of this Law, the challenging party may present it to the Concerned Body within fifteen days after the first fifteen-day period. The Concerned Body then has ten days to decide the challenge and its decision shall be subject to no appeal.

3. Notification of the challenge to the Arbitrator or its presentation to the Concerned Body shall not stay the arbitration proceedings and the Arbitral Tribunal, including the challenged Arbitrator, may continue the arbitral proceedings and make an arbitral award, even if the Concerned Body has not made a determination on the challenge.

4. If an Arbitrator withdraws from his office or the Parties agree to the termination of the mandate of an Arbitrator, this does not imply acceptance of the validity of the grounds of challenge.

5. If the Concerned Body decides to remove the Arbitrator, it may decide to pay the Arbitrator such fees and expenses as it considers appropriate or to reimburse any expenses or costs already paid to him, which decision shall be subject to no appeal.

Termination of the Mandate of the Arbitral Tribunal

Article (16)

1. If an Arbitrator is unable to perform his functions or ceases to do so or otherwise fails to act in a manner that leads to unjustifiable delay in the arbitral proceedings, or deliberately fails to act in accordance with the Arbitration Agreement despite being notified by all means of notification and communication applicable in the State, without withdrawing from his office or the Parties agreeing to terminate his mandate, the Concerned Body may, at the request of a party, after hearing the statements and defence of the Arbitrator, terminate his mandate, which decision shall be subject to no appeal.

2. An authority of an Arbitrator is personal and his mandate terminates on death, incapacity, or failure to meet qualifications underlying his appointment. Unless otherwise agreed by the Parties, the death or expiry of the party who appointed the Arbitrator shall not cancel the Arbitrator’s mandate.

Appointment of Substitute Arbitrator

Article (17)

1. Where the mandate of an Arbitrator terminates due to challenge, revocation, withdrawal or any other reason, a substitute Arbitrator shall be appointed according to the rules that were applicable to the appointment of the Arbitrator whose mandate has expired.
2. The Parties may, after appointing a substitute Arbitrator, agree to follow prior proceedings and to what extent. If the Parties fail to reach an agreement in this regard, the reconstituted Arbitral Tribunal shall decide whether any of the prior proceedings are valid and to what extent. No decision of the reconstituted Arbitral Tribunal shall prejudice the right of any of the Parties to challenge the proceedings which preceded the reconstitution of the Arbitral Tribunal on any grounds which arose prior to the appointment of the substitute Arbitrator.

General Jurisdiction to Consider Arbitral Measures
Article (18)

1. The Competent Court shall have jurisdiction to consider arbitration issues referred hereunder in accordance with the procedural laws of the State. The Competent Court shall exercise exclusive jurisdiction until the conclusion of all arbitral proceedings.

2. The chief justice of the Court may, at the request of a party, or at the request of the Arbitral Tribunal, order such interim or conservatory measures as he may consider necessary to be taken in respect of existing or potential arbitral proceedings, whether before the commencement or the arbitral proceedings or during their course.

3. Taking the measures referred to in the preceding section of this article shall not stay the arbitral proceedings and shall not amount to a waiver of the Arbitration Agreement.

4. If the chief justice of the Court issues an order under section 2 of this article, the order shall only cease to have effect in whole or in part by a decision issued by the chief justice of the Court.

The Arbitral Tribunal’s Competence to Rule on its Own Jurisdiction
Article (19)

1. The Arbitral Tribunal may rule on its own jurisdiction, including any objections with respect to the existence or validity of the Arbitration Agreement or its inclusion of the subject-matter of the dispute. The Arbitral Tribunal shall rule on the plea either as a preliminary question or in a final arbitral award on the merits.

2. If the Arbitral Tribunal rules as a preliminary question that it has jurisdiction, a party may, within fifteen days after receiving notice of that ruling, request the Court to decide that matter. The Court shall then decide the request with thirty days of being filed with the Court and its decision shall be subject to no appeal; while such a request is pending, the arbitral proceedings shall be stayed unless the Arbitral Tribunal decides to continue the arbitral proceedings at the request of a party.

3. The party requesting continuation of the arbitral proceedings shall bear the arbitration costs should the Court rule that the Arbitral Tribunal has no jurisdiction.

Time Limit for a Plea to the Jurisdiction of the Arbitral Tribunal
Article (20)

1. A plea to the jurisdiction of the Arbitral Tribunal shall be raised not later than the submission of the respondent’s statement of defence under Article 30 of this Law. A plea that issues raised by the other party during the proceedings are beyond the scope of the Arbitration Agreement shall be raised not later than the next hearing following the hearing at which the plea was raised, otherwise the right to such plea shall be waived. The Arbitral Tribunal may, in either case, admit a later plea if it considers the delay justified.

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2. The appointment or participation in the appointment of an Arbitrator by either party shall not preclude its right to file any of the pleas referred to in section 1 of this article.

Interim or Conservatory Measures
Article (21)

1. Subject to the provisions of Article 18 of this Law, and unless otherwise agreed by the Parties, the Arbitral Tribunal may, at the request of a party or on its own motion, order any party to take such interim or conservatory measure as the Arbitral Tribunal may consider necessary given the nature of the dispute, including, in particular:

   a) An order to preserve evidence that may be relevant and material to the resolution of the dispute.

   b) Taking necessary measures to preserve goods which constitute part of the subject-matter of the dispute such as an order to deposit goods with a third party or to sell goods which are susceptible to damage.

   c) Preserving assets and funds out of which a subsequent award may be satisfied.

   d) Maintaining or restoring the status quo pending determination of the dispute.

   e) An order to take action that would prevent, or refrain from taking action that is likely to cause, current or imminent harm or prejudice to the arbitration process itself.

2. The Arbitral Tribunal may require the party requesting the order for interim or conservatory measures to provide appropriate security to cover the costs of such measures and may further require that party to bear all damages arising in connection with the enforcement of such measures should the Arbitral Tribunal thereafter decide that the party is not entitled to secure them.

3. The Arbitral Tribunal may, at the request of any party or on its own motion, amend, suspend, or cancel an interim measure it has ordered, in exceptional circumstances, by prior notice to be given to the Parties.

4. A party for whom an interim measure has been ordered may, after obtaining written permission from the Arbitral Tribunal, request the competent court to order the enforcement of the order of the Arbitral Tribunal or any part thereof within fifteen days of receipt of the request. Copies of any request for permission or enforcement hereunder shall be sent simultaneously to all the other Parties.

Section IV
Arbitral Proceedings

Intervention and Joinder of New Parties in an Arbitration
Article (22)

The Arbitral Tribunal shall have the power, on the application of any party or a third party, but in either case only after giving all Parties, including the third party, the opportunity to be heard, to allow such third party to intervene or be joined in the Arbitration provided it is a party to the Arbitration Agreement.
Determination of Rules of Procedure
Article (23)

1. Subject to Article 10-2 of this Law, the Parties are free to agree on the procedure to be followed by the Arbitral Tribunal in conducting the proceedings, including their right to subject such procedure to the rules in force of any arbitration association or institution in the State or abroad.

2. Where there is no agreement to follow specific procedures, the Arbitral Tribunal may adopt the procedures it considers appropriate, subject to the provisions of this Law and the absence of conflict with the fundamental principles of litigation and international agreements to which the State is party.

Notice
Article (24)

1. Unless otherwise agreed by the Parties, the provisions of this section shall apply as follows:

   (a) Any written communication is deemed to have been received if it is delivered to the addressee personally or if it is delivered at its place of business, habitual residence or mailing address known to the Parties or designated in the Arbitration Agreement or the document governing the relationship addressed by the Arbitration; if none of these can be found after making a reasonable inquiry, a written communication is deemed to have been received if it is sent to the addressee's last-known place of business, habitual residence or mailing address by registered letter, courier, or any other means which provides a written record of the attempt to deliver it. The expression “mailing address” shall include any facsimile number or email address previously used by the Parties in their dealings or previously advised by either Party to the other in its communications.

   (b) The communication is deemed to have been received on the day it is so delivered in the manner described in this Law. Communication sent by fax or email shall be deemed to have been received when transmitted upon receipt of confirmation of error-free transmission. In all cases, communications shall be deemed effectively received when received or sent before 18:00 hrs in the country in which the communication is received; otherwise on the following day.

2. For the purposes of calculating time limits in accordance with this Law, a period of time shall start to run on the day following the date on which a notification or other communication is received. If the last day of the relevant period of time falls on an official holiday or a non-business day at the premises or place of business of the addressee, the period of time shall expire on the first following business day. Official holidays or non-business days occurring within such period are included in calculating the period of time.

3. The provisions of this article do not apply to communications in court proceedings.

Waiver of Right to Object
Article (25)

A party who knows that any provision of this Law from which the Parties may derogate or any requirement under the Arbitration Agreement has not been complied with and yet does not state its objection to such non-compliance within the time limit agreed upon, or within seven days of becoming aware of the non-compliance in the absence of such agreement, shall be deemed to have waived its right to object.
Equality of the Parties
Article (26)

The Parties shall be treated with equality and each party shall be given a full opportunity to present its case.

Commencement of Arbitral Proceedings
Article (27)

1. Unless otherwise agreed by the Parties, the arbitral proceedings commence on the day following the date when the composition of the Arbitral Tribunal is completed.

2. Notice of the request for arbitration is tantamount to filing an action for the purposes of levying precautionary attachment.

Place of Arbitration
Article (28)

1. The Parties are free to agree on the place of arbitration. Failing such agreement, the place of arbitration shall be determined by the Arbitral Tribunal having regard to the circumstances of the case, including the convenience of the Parties.

2. The Arbitral Tribunal may, unless otherwise agreed by the Parties:

   (a) hold arbitration hearings at any place it considers appropriate to conduct any of the arbitral proceedings, while providing the Parties sufficient advance notice of the hearing.

   (b) hold arbitration hearings with the Parties and deliberate by modern means of communication and electronic technology. The Arbitral Tribunal shall deliver or communicate the minutes of hearing to the Parties.

Language of Arbitration
Article (29)

1. Unless otherwise agreed by the Parties, arbitral proceedings shall be conducted in Arabic.

2. The agreed-upon or determined language, unless otherwise agreed, shall apply to the arbitral proceedings and to any written statement by a party, any hearing and any award, decision or other communication by the Arbitral Tribunal.

3. Subject to Federal Law No. (6) of 2012 regulating the translation profession, the Arbitral Tribunal may order that any or all written materials submitted in the proceedings be accompanied by a translation into the language or languages used in the Arbitration. In situations where there are multiple languages, translations may be limited to certain languages.

Statements of Claim and Defence
Article (30)

1. Unless otherwise agreed by the Parties or determined by the Arbitral Tribunal, the claimant shall, within fourteen days after composition of the Arbitral Tribunal, communicate its statement of claim in writing to the respondent and to each of the arbitrators. The statement of claim shall include the claimant’s name and address, the name and address of the
respondent, a statement of the facts supporting the claim, the points at issue, the relief or remedy sought, and every other matter required by the agreement of the Parties to be mentioned in the statement.

2. Unless otherwise agreed by the Parties or determined by the Arbitral Tribunal, the respondent shall, within fourteen days from the day after receiving the claimant’s statement of claim referred to in the preceding section of this article, communicate its statement of defence in writing to the claimant and to each of the arbitrators. The statement of defence shall reply to the particulars of the statement of claim and may include any incidental claims or counterclaims related to the subject-matter of the dispute or invoke a right arising therefrom for the purpose of a set-off. The respondent may do so even at a later stage in the proceedings, if the Arbitral Tribunal decides that the delay was justified under the circumstances.

3. Unless otherwise agreed by the Parties, a party may, during the course of the arbitral proceedings, amend or supplement its claim or defence or file a counterclaim, unless the Arbitral Tribunal considers it inappropriate to allow such amendment having regard to the delay in settling the dispute or its remit. The decision of the Arbitral Tribunal shall take into account procedural due process.

Documents Supporting the Statement of Claim and Defence

Article (31)

Each party may annex to its statement of claim or defence, as the case may be, copies of supporting documents, or add a reference to all or some of the documents and evidence it will submit, while observing the other party’s right to peruse the same. The Arbitral Tribunal has the right, however, at any stage of the proceedings, to request the submission of the originals of documents or materials on which either party relies, and the other parties shall have the right to peruse the same.

Default of a Party

Article (32)

Unless otherwise agreed by the Parties, and subject to the provisions of Article 30 of this Law, the following shall be observed:

1. If the claimant, without showing sufficient cause, fails to communicate its statement of claim in accordance with this Law and the procedures the Parties have agreed to follow, the Arbitral Tribunal shall terminate the proceedings if convinced that there has been undue and unjustified delay on the part of the claimant in pursuing its claim as would make it impossible to reach a fair resolution or would prejudice the respondent.

2. Where the respondent fails to communicate its statement of defence, the Arbitral Tribunal shall continue the proceedings, without treating such failure in itself as an admission of the claimant's allegations by the respondent. The same rule shall apply to the claimant’s failure to submit a defence to a counterclaim.

3. If any party fails to appear at a hearing or to produce documentary evidence or carry out any procedure, without an acceptable excuse, the Arbitral Tribunal may continue the proceedings, drawing appropriate conclusions based on the actions and default of the party in question, as justified by the circumstances of the arbitration case, and proceed to make the award on the evidence before it.

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Hearings and Written Proceedings

Article (33)

1. Arbitral hearings shall be held in camera unless the Parties agree otherwise.

2. Subject to any contrary agreement by the Parties, the Arbitral Tribunal shall decide whether to hold oral hearings for the presentation of evidence or for oral argument, or whether the proceedings shall be conducted on the basis of documents and other materials. The Arbitral Tribunal shall hold such hearings at an appropriate stage of the proceedings, if so requested by a party.

3. Hearings may be held through modern means of communication without the physical presence of the Parties at the hearing.

4. The Arbitral Tribunal shall give the Parties sufficient advance notice, as determined by it on a case by case basis, of any hearings of the Arbitral Tribunal.

5. The Parties may, at their own expense, avail of experts and attorneys, whether lawyers or otherwise, to represent them before the Arbitral Tribunal. The Arbitral Tribunal may request from any party proof of the authority granted to its representative in such form as the Arbitral Tribunal shall specify.

6. A summary of the proceedings of each hearing conducted by the Arbitral Tribunal shall be recorded in minutes and a copy thereof shall be delivered to each of the Parties.

7. Unless otherwise agreed by the Parties, the hearing of witnesses, including experts, shall be conducted under the laws of the State.

8. The Arbitral Tribunal is afforded discretion to determine the rules of evidence to be followed and the admissibility, relevance or weight of evidence adduced by any of the Parties in relation to facts or expert opinion. The Arbitral Tribunal may also specify a time limit, method, and form for the exchange of such evidence between the Parties and a method for its submission to the Arbitral Tribunal.

Expert Assistance

Article (34)

1. Unless otherwise agreed by the Parties, the Arbitral Tribunal may decide to appoint one or more experts, define their terms of reference and the duration of their mandate, and shall communicate a copy of its decision to the Parties.

2. The Parties shall give the expert relevant information, or produce for his inspection any relevant documents, goods or other property (moveable or immovable) that he may require of them. The Arbitral Tribunal shall determine any dispute that may arise between the expert and a Party in this regard.

3. Before accepting his appointment, the expert shall submit to the Arbitral Tribunal and to the Parties a description of his qualifications and a statement confirming his impartiality and independence. Within the time prescribed by the Arbitral Tribunal, the Parties shall submit any objections as to the expert’s appointment. Once the Tribunal has ruled on the objections, its decision on the matter shall be final.

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4. A party may only object to the expert’s qualifications, impartiality or independence for reasons that have come to that party’s knowledge following the appointment.

5. Once filed, the Arbitral Tribunal shall communicate a copy of the expert’s report to the Parties and allow them an opportunity to comment thereon within such time limits as the Arbitral Tribunal shall determine.

6. If a party so requests or at the Arbitral Tribunal’s own discretion, the expert, after delivery of the report, may be heard at a hearing where the Parties shall have the opportunity to be present and to examine the expert on the contents of his report as well as examine any document relied upon by the expert in his report. Unless otherwise agreed by the Parties, a party may avail of one or more experts whom it shall appoint to give an opinion on the points addressed in the report of the expert appointed by the Arbitral Tribunal. Such proceedings shall be governed by the provisions of Article 33 of this Law.

7. The expert’s fees and expenses of any expert appointed by the Arbitral Tribunal pursuant to this article shall be paid by the Parties, as decided by the Arbitral Tribunal.

Witness Testimony
Article (35)

The Arbitral Tribunal may question witnesses, including expert witnesses, through modern means of communication without their physical presence at the hearing.

Power of the Court to Act on a Request for Evidence
Article (36)

1. The Arbitral Tribunal may, on its own motion or if a party so requests, request from the Court assistance in taking evidence. The Court may execute the request within its competence, ordering witnesses to appear before the Arbitral Tribunal in order to give oral testimony or adduce documents or any evidentiary materials.

2. The request shall be made to the chief justice of the Court who may take any of the following decisions:

   (a) To order sanctions prescribed by the laws of the State against any witness who fails to appear or answer questions, without lawful excuse.

   (b) To direct a third party to produce documents in its possession which are essential for deciding the dispute.

   (c) To order a rogatory commission.

Chapter V
The Arbitral Award

Choice of Law Applicable to Substance of Dispute
Article (37)

1. The Parties are free to choose the rules which the Arbitral Tribunal shall apply to the subject matter of the dispute. Any designation of the law of a given state shall be construed, unless otherwise expressed, as directly referring to the substantive law of that state and not to its conflict of laws rules, provided there is no conflict with the public order or morality of the State.
2. If the Parties agree to subject the legal relationship between them to the provisions of any model contract, international convention, or any other document, then the provisions of such document, including those related to Arbitration, shall apply, provided there is no conflict with the public order or morality of the State.

Power of the Arbitral Tribunal to Determine the Law to Govern the Subject-Matter of the Dispute

Article (38)

1. Failing designation by the Parties of the legal rules applicable to the substance of the dispute, the Arbitral Tribunal shall apply the substantive rules of the law it deems most closely connected to the dispute.

2. In deciding the dispute, the Arbitral Tribunal shall take into account the terms of the contract, subject of the dispute, the usages of the trade applicable to the transaction and past practices between the Parties.

3. The Arbitral Tribunal may, if it has expressly been authorized to do so or to act as an amiable compositor by agreement of the Parties, decide ex aequo et bono rather than on the basis of law.

Interim and Partial Awards

Article (39)

1. The Arbitral Tribunal may issue interim awards or awards on part of claims before rendering the award ending the entire dispute.

2. Interim awards of the Arbitral Tribunal are enforceable before the courts through an order issued on the basis of an application by the chief justice of the Court or whoever he delegates for that purpose.

Consent Award

Article (40)

If, before any final award, the Parties amicably settle the dispute, they may request that the terms of settlement be recorded before the Arbitral Tribunal, which is bound, in this case, to issue a consent award setting out those terms and ending proceedings. Such an award has the same force and effect as any other award.

Form and Contents of Award

Article (41)

1. The arbitral award shall be made in writing.

2. In arbitral proceedings with more than one arbitrator, the award shall be issued by majority opinion. If different opinions of the arbitrators would rule out a majority, the presiding Arbitrator shall issue the award, unless otherwise agreed by the Parties. In such case, the dissenting opinions shall be noted in writing or enclosed and shall form an integral part of the award.

3. The award shall be signed by the arbitrators and the signatures of the majority of the arbitrators shall suffice, provided that the reason for any omitted signature is stated.
4. The award shall state the reasons upon which it is based, unless the Parties have agreed otherwise, or the law applicable to the arbitral proceedings does not require reasons to be given.

5. The arbitral award shall include the names and addresses of the Parties, the names of the arbitrators, their nationalities and addresses, the text of the Arbitration Agreement, a summary of the Parties' claims, statements and documents, the order made and the reasons on which the award is based, if required to be stated, and the date and place of issue of the award.

6. Unless otherwise agreed by the Parties, the arbitral award shall be deemed issued at the place of arbitration as determined in accordance with Article 28 of this Law, notwithstanding that it may have been signed by the members of the Arbitral Tribunal outside the place of arbitration, and irrespective of how the award was signed, whether by all the members of the Arbitral Tribunal at one sitting or separately by each member to whom the award was forwarded for signature, or by electronic means.

7. Unless the Parties agree otherwise, the date of the award shall be taken to be the date on which it is signed by the Arbitrator or, where there is more than one Arbitrator, by the last of them.

**Time for Issuing a Final Award**

Article (42)

1. The Arbitral Tribunal shall issue a final award within the timeframe agreed by the Parties. Failing agreement on a specific time limit or method of its determination, the award shall be issued within six months from the date of the first hearing of the Arbitration. The Arbitral Tribunal may extend the time for up to six additional months, unless the Parties agree to a longer extension.

2. The Arbitral Tribunal and either Party may, if no arbitral award is issued within the time period provided for in paragraph 1 of this article, request the Court to issue a decision extending the time period for issuing the arbitral award or terminating the arbitral proceedings, as necessary. The Arbitral Tribunal may extend such period under such conditions as it shall deem appropriate and its decision in this regard shall be final, unless otherwise agreed by the Parties.

3. Where the Court has issued a decision terminating the arbitral proceedings, either party may bring an action before the court originally competent to entertain it.

**Ruling on Preliminary Questions**

Article (43)

If, in the course of arbitral proceedings, a question outside the scope of the Arbitral Tribunal's jurisdiction arises or if a document submitted to it is challenged for forgery, or if criminal proceedings in respect of that document or for any other criminal act have been instituted, the Arbitral Tribunal may continue reviewing the merits of the dispute if it deems that the decision on this matter, on the forgery of the document, or on the other criminal act is not indispensable for issuing an award on the merits of the dispute. Otherwise, the Arbitral Tribunal shall stay the proceedings until a final judgment is issued in this respect. A stay shall interrupt the running of the time limit for issuing the arbitral award which shall resume running from the day following the date on which the Arbitral Tribunal is notified of the removal of the cause of the stay.

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Notification of Arbitral Award
Article (44)

Subject to Article 47 of this Law, the Arbitral Tribunal shall notify the Parties of the award by communicating, to each party, an original or a copy of the arbitral award, signed by the arbitrators, within 15 days from the date of issue of the award.

Termination of Arbitral Proceedings
Article (45)

1. Arbitral proceedings are terminated by an award of the Arbitral Tribunal ending the whole dispute.

2. The Arbitral Tribunal shall also terminate arbitral proceedings in the following cases:

(a) If the Parties agree on the termination of the Arbitration in accordance with this Law;

(b) If the claimant withdraws its claim, unless the Arbitral Tribunal decides, on the application of the respondent, that the latter has a legitimate interest in continuing the proceedings until the dispute is settled; or

(c) If the Arbitral Tribunal finds that the continuation of the proceedings has for any reason become unnecessary or impossible.

Costs of Arbitration
Article (46)

1. Unless otherwise provided by the agreement of the Parties, the Arbitral Tribunal shall assess the costs of arbitration which shall include: the fees and expenses incurred by any member of the Arbitral tribunal in the exercise of his duties and the costs for experts appointed by the Arbitral Tribunal.

2. The Arbitral Tribunal may order that any or all of the costs referred to in paragraph 1 of this article be borne by one of the Parties. The Court may, at the request of a party, adjust the arbitrators' estimate of their fees or expenses commensurate with their efforts, the nature of the dispute, and the arbitrator's experience.

3. No requests may be made to the Court to review the quantum of costs, if fixed by agreement.

Withholding Delivery of Award Pending Payment of Fees
Article (47)

1. Subject to the arbitrators’ right of recourse against the Parties for their fees and expenses, the Arbitral Tribunal may withhold delivery of its final award to the Parties if the costs of arbitration have not been fully paid up.

2. Where the Arbitral Tribunal has refused to deliver its award in accordance with paragraph 1 of this article, a Party may make an application to the Court, after giving notice to the other Parties and the Arbitral Tribunal, to compel the Arbitral Tribunal to release its award to the Parties, upon proof of full payment of the fees and expenses requested by the Arbitral Tribunal or those specified by the Court in accordance with Article 46 of this Law.
Confidentiality of Arbitrators’ Awards
Article (48)

Arbitrators’ awards are confidential and cannot be published in whole or in part except with the written consent of the Parties. Publication of judicial rulings dealing with an arbitral award shall not constitute a breach of this rule.

Interpretation of Award
Article (49)

1. After the arbitral award is issued, the Arbitral Tribunal has no power to decide any of the issues addressed by the arbitral award. However, within thirty days of receipt of the award, unless other procedures or periods of time have been agreed by the Parties, a Party, with notice to the other party, may request the Arbitral Tribunal to interpret any obscurity or ambiguity in its award.

2. If the Arbitral Tribunal considers the request for interpretation to be justified, it shall give an interpretation in writing within thirty days after receipt of the request and may extend, if necessary, this period of time by a further fifteen days.

3. The interpretation shall form part of the relevant award and shall be subject to the rules applicable thereto.

Correction of Material Errors in Award
Article (50)

1. The Arbitral Tribunal shall decide, on its own initiative or upon request of a party, with notice to the other party, to correct any material errors in its award, whether clerical or in computation. The request shall be submitted within thirty days of receipt of the award, unless other procedures or periods of time have been agreed by the Parties. The Arbitral Tribunal shall make the correction within thirty days after it issues the award or receives the request for correction, as the case may be. The Arbitral Tribunal may extend, if necessary, this period of time by a further fifteen days.

2. The Arbitral Tribunal shall make the correction in writing and notify the Parties within fifteen days from the date of issue.

3. The correction shall form part of the relevant award and shall be subject to the rules applicable thereto.

Additional Award
Article (51)

1. Within thirty days of receipt of the award, a party, with notice to the other party, may request the Arbitral Tribunal to make an additional award as to claims presented in the arbitral proceedings but omitted from the award.

2. If the Arbitral Tribunal considers the request referred to in section 1 of this article to be justified, it shall make the additional award within sixty days after receipt of the request and may extend, if necessary, this period of time by a further thirty days.
3. The additional award shall form part of the relevant award and shall be subject to the rules applicable thereto.

4. Should the Arbitral Tribunal not issue the arbitral award in accordance with this article and Articles 49 and 50 of this Law, the interested party shall submit a request to the Court to do so.

Binding Force
Article (52)

An arbitral award made in accordance with this Law shall be binding on the Parties, shall constitute 
res judicata, and shall be as enforceable as a judicial ruling, although to be enforced, a decision 
confirming the award must be obtained from the Court.

Challenging Arbitral Awards
Article (53)

1. An arbitral award can only be challenged by an action for setting aside before the Court or 
during the pendency of an application to confirm the award. The party seeking to set aside the 
award must establish any of the following circumstances:

   (a) that no Arbitration Agreement exists or such agreement is void or has lapsed under the 
   law to which the Parties have subjected it or, failing any indication thereon, under this 
   Law.

   (b) that a party, at the time of conclusion of the Arbitration Agreement, was incompetent or 
   under some incapacity under the law governing his capacity.

   (c) that a person does not have the legal capacity to dispose of the disputed right under the 
   law governing his capacity, as provided for in Article 4 of this Law.

   (d) that a party to the Arbitration fails to present its 
   case because it was not given proper 
   notice of the appointment of an Arbitrator or of the arbitral proceedings or because the 
   Arbitral Tribunal breached due process or for any other reason beyond his control.

   (e) that the arbitral award excludes the application of the Parties’ choice of law for the 
   dispute.

   (f) that the composition of the Arbitral Tribunal or appointment of any Arbitrator was not in 
   accordance with this Law or the agreement of the Parties.

   (g) that the arbitral proceedings were marred by irregularities that affected the award or the 
   arbitral award was not issued within the specified time frame.

   (h) that the award contains decisions on matters not falling within the terms of the submission 
   to arbitration or beyond its scope, provided that, if the decisions on matters submitted to 
   Arbitration can be separated from those not so submitted, only that part of the award 
   which contains decisions on matters not submitted to Arbitration may be set aside.

2. The Court shall, on its own initiative, set aside the arbitral award if it finds that:

   (a) The subject-matter of the dispute is not capable of settlement by Arbitration.

   (b) The arbitral award is in conflict with the public order and morality of the State.

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Action to Set Aside Award
Article (54)

1. The decision of the Court in an action to set aside is final and can only be appealed in cassation.

2. An action to set aside an arbitral award shall be time barred after 30 days from the date of notification of the award by the party seeking to set it aside.

3. A decision to set aside an arbitral award shall extinguish the award in whole or in part depending on whether the award is to be wholly or partially set aside. An interpretation given for the affected part of the award which was set aside, shall be accordingly extinguished.

4. Unless otherwise agreed by the Parties, the Arbitration Agreement shall remain in force according to this Law after the arbitral award is set aside unless the setting aside is based on an Arbitration Agreement that does not exist or has lapsed, or is void or incapable of being performed.

5. An action to set aside is admissible even if the party invoking nullity has waived its right to do so prior to the issuance of the arbitral award.

6. The Court, when asked to set aside an arbitral award may, where appropriate and so requested by a party, suspend the setting aside proceedings for a period of time of up to sixty days in order to give the Arbitral Tribunal an opportunity to take any action or make any amendment to the form of the award as will eliminate the grounds for setting aside without affecting the substance of the award.

Enforcement of Award
Article (55)

1. A party looking to enforce an arbitral award shall submit a request for its confirmation and enforcement with the chief justice of the Court, together with the following:

(a) The original award or a certified copy thereof.

(b) A copy of the Arbitration Agreement.

(c) An Arabic translation of the arbitral award, attested by a competent authority, if the award is not issued in Arabic.

(d) A copy of the minutes of deposit of the award in Court.

2. The chief justice of the Court or whoever he delegates from among its judges shall order the arbitral award confirmed and enforced within sixty days of submission of the request for its confirmation and enforcement, unless it finds one or more of the grounds for setting aside the award under section 1 of Article 53 of this Law.
Stay of Enforcement of Award
Article (56)

1. An action to set aside an arbitral award does not stay its enforcement. Nevertheless, the Court seized of the action to set aside the award may order a stay of enforcement if so requested by a Party showing good cause.

2. The Court shall decide the request for a stay of enforcement within fifteen days after the date of the first scheduled hearing.

3. If a stay is ordered, it may require the party seeking the stay to provide a given security or monetary guarantee. The Court then has sixty days from the date of the stay order to decide the action to set aside.

Recourse Against Enforcement of Award
Article (57)

A grievance may be filed against the Court’s decision to grant or deny enforcement of an arbitral award before the competent Court of Appeal within thirty days from the date following notification.

Section VI
Final Provisions

Code of Professional Conduct and Lists of Arbitrators
Article (58)

1. The Minister of Economy shall issue a code of professional conduct for arbitrators in consultation with arbitration institutions in the State.

2. The Minister of Justice or the chairman of the competent judicial authority shall produce a list of arbitrators for possible appointment under Article 11 of this Law.

The Temporal Dimension of this Law
Article (59)

The provisions of this Law shall apply to any Arbitration which is pending at the time of entry into force of this Law, including any Arbitration arising out of a previously existing Arbitration Agreement, and all proceedings which took place under any prior legislation shall remain valid.

Repeal of Arbitration Provisions of the Civil Procedure Law
Article (60)

1. Articles 203–218 of said Federal Law No. (11) of 1992 are hereby repealed but all proceedings which took place thereunder shall remain valid.

2. Any provision in conflict with this Law is hereby repealed.
Publication and Entry into Force
Article (61)

This Law shall be published in the Official Gazette and shall take effect one month from the date following publication.

Khalifa bin Zayed Al Nahyan
President of the United Arab Emirates

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